

COUNCIL CHAMBERS -- CITY COUNCIL
CITY HALL -- CITY OF LODI
May 28, 1935

The City Council of the City of Lodi convened in special session in the Council Chambers at the City Hall in said City on Tuesday, the 28th day of May, 1935 at the hour of 8:00P.M. The meeting was called to order by the Mayor, G.M. Steele. The Clerk called the roll. Those present and those absent were as follows:

PRESENT: Councilmen, Harvey S. Clark, W.A. Spooner, Otto A. Weihe, and G.M. Steele (Mayor)
ABSENT: Councilman, George A. Zeagle.

The Clerk read the call of the meeting together with the proof of service of the same, which was ordered spread upon the minutes of the meeting.

CITY OF LODI, CALIFORNIA
Office of the City Clerk and Assessor
Monday, May 27, 1935

To: Mr. Harvey S. Clark, City Councilman,
Mr. George A. Zeagle, City Councilman,
Mr. W. A. Spooner, City Councilman,
Mr. Otto A. Weihe, City Councilman,
Mr. G.M. Steele, City Councilman,

You and each of you are hereby notified that I have called a special meeting of the City Council of the City of Lodi, California to be held in the Council Chambers at the City Hall in said City at 8:00 o'clock P.M. on Tuesday, the 28th day of May 1935, for the purpose of considering a proposed Loan and Grant Agreement between said City of Lodi and the United States of America, and adopting a resolution approving and authorizing the execution of such agreement.

(Signed) G.M. Steele
Mayor of the City of Lodi

A true copy of the foregoing notice was delivered by me to each of the above-named members of the City Council of the City of Lodi on the 27th day of May, 1935 within the territorial limits of the City of Lodi, County of San Joaquin, State of California.

(Signed) J. F. BLAKELY
City Clerk of the City of Lodi and
ex-officio Clerk of the City Council
of said City.

Dated: May 27, 1935

The following resolution numbered 778 and entitled "A RESOLUTION APPROVING A LOAN AND GRANT AGREEMENT BETWEEN THE CITY OF LODI AND THE UNITED STATES OF AMERICA, AND AUTHORIZING ITS EXECUTION" was introduced by Councilman Spooner, seconded by Councilman Weihe and read once in full by the City Clerk and considered by the City Council:

RESOLUTION NO. 778

A RESOLUTION APPROVING A LOAN AND GRANT AGREEMENT
BETWEEN THE CITY OF LODI AND THE UNITED STATES OF
AMERICA, AND AUTHORIZING ITS EXECUTION.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LODI ,

Section 1. That the Loan and Grant Agreement between the City of Lodi, County of San Joaquin, State of California, and the United States of America under and subject to the terms of which the United States will by loan and grant not exceeding in the aggregate the sum of SIX HUNDRED THOUSAND DOLLARS (\$600,000.00) aid said City of Lodi in financing the construction of a hydro-electric-diesel generating plant and transmission line, a copy of which loan and grant agreement is filed among the public records of the City of Lodi in the office of the City Clerk of said City and is also set forth at length in Vol. 5, Page 204 et seq, "Records of the City Council, City of Lodi", and which Loan and Grant Agreement is hereby made a part hereof, be and the same is hereby in all respects approved.

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Section 2. That the Mayor of said City of Lodi be and he is hereby authorized and directed to execute such Loan and Grant Agreement in triplicate on behalf of the City of Lodi, and the City Clerk of said City of Lodi be and he is hereby authorized and directed to impress or affix the official seal of said City to each of said three copies of said Loan and Grant Agreement and to attest such seal.

Section 3. That said City Clerk be and he is hereby authorized and directed to forthwith forward three copies of said Loan and Grant Agreement as executed on behalf of said City of Lodi to the Federal Emergency Administration of Public Work, Washington, D.C.

Section 4. That the Mayor and the City Clerk be and they are hereby authorized and empowered on behalf of said City of Lodi to request and consent to modifications or changes in said Loan and Grant Agreement with reference to the designation, date, denominations, medium of payment, places of payment, and registration or conversion privileges of the bonds to be issued thereunder in order to comply with the requirements of law and of the proceedings taken for the issuance of said bonds, and to execute in the same manner as said Loan and Grant Agreement any further instruments that may be found desirable in connection with such modifications or changes.

Section 5. That said City Clerk be and he is hereby authorized and directed to forthwith send to said Federal Emergency Administration of Public Works two certified copies of this Resolution and two certified copies of the proceedings of the City Council in connection with the adoption of this Resolution, and such further documents or proofs in connection with the approval and execution of said Loan and Grant Agreement as may be requested by said Federal Emergency Relief Administration of Public Works.

The question being put upon the passage and adoption of said Resolution No. 778, the roll was called with the following results:


AYES: Councilmen, Spooner, Weihe, Clark, and Steele.

NOES: Councilmen, None

ABSENT: Councilman, Keagle.

The Mayor thereupon declared the Resolution adopted.

It was moved by Councilman Weihe and seconded by Councilman Clark that the meeting adjourn. Motion carried.


City Clerk.

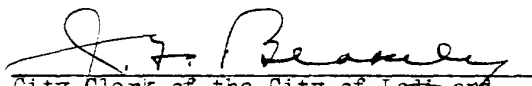
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CLERK'S CERTIFICATE

I, J. F. BLAZELY, City Clerk of the City of Lodi, County of San Joaquin, State of California, do hereby certify that the annexed extract from the minutes of the special meeting of the City Council of the City of Lodi held on the 28th day of May, 1935, has been compared by me with and is a true copy and a correct copy of the whole of said minutes insofar as such minutes relate to the matters therein referred to.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Lodi this 28th day of May, 1935.

(SEAL)


City Clerk of the City of Lodi and
ex-officio Clerk of the City Council
of said City.

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LOAN AND GRANT AGREEMENT BETWEEN THE CITY OF LODI, CALIFORNIA AND
THE UNITED STATES OF AMERICA

P.W.A. Docket No. 5731.

1. Purpose of Agreement. Subject to the terms and conditions of this Agreement, the United States of America (herein called the "Government") will, by loan and grant not exceeding in the aggregate the sum of \$600,000 (herein called the "Allotment") aid the City of Lodi (San Joaquin County, California) (herein called the "Borrower") in financing a project (herein called the "Project") consisting substantially of the construction of a hydro-electric generating plant, Diesel electric generating plant and transmission line, all pursuant to the Borrower's application (herein called the "Application"), P.W.A. Docket No. 5731, Title II of the National Industrial Recovery Act (herein called the "Act") and the Constitution and Statutes of the State of California (herein called the "State").

2. Amount and Method of Making Loan. The Borrower will sell and the Government will buy, at the principal amount thereof plus accrued interest, \$466,000 aggregate principal amount of negotiable coupon bonds (herein called the "Bonds") of the description outlined below or such other description as may be satisfactory to the Borrower and to the Federal Emergency Administrator of Public Works (herein called the "Administrator"), bearing interest at the rate of 4 percent per annum, payable semi-annually from date until maturity, less such amount of the Bonds, if any, as the Borrower may sell to purchasers other than the Government.

(a) Date: July 1, 1935. (b) Denomination: \$1,000.

(c) Place of Payment: At the office of the Treasurer of the City of Lodi, Lodi, California, or, at the option of the holder, at a bank or trust company in the Borough of Manhattan, City and State of New York.

(d) Registration Privileges: Registerable as to both principal and interest.

(e) Maturities: Payable, without option of prior redemption, on July 1, in years and amounts as follows:

\$23,000 in each of the years 1936 to 1949, both inclusive
\$24,000 in each of the years 1950 to 1955, both inclusive

(f) Security: General obligations of the Borrower, payable as to both principal and interest from ad valorem taxes which may be levied without limit as to rate or amount upon all the taxable property within the territorial limits of the Borrower.

3. Amount and Method of Making Grant. The Government will make and the Borrower will accept, whether or not any or all of the Bonds are sold to purchasers other than the Government, a grant (herein called the "Grant") in an amount equal to 30 per centum of the cost of the labor and materials employed upon the Project. The determination by the Administrator of the cost of the labor and materials employed upon the Project shall be conclusive. The Government will make part of the Grant by payment of money and the remainder of the Grant by cancellation of Bonds or interest coupons or both. If all of the Bonds are sold to purchasers other than the Government the Government will make the entire Grant by payment of Money. In no event shall the Grant, whether made partly by payment of money and partly by cancellation, or wholly by payment of money, be in excess of \$148,000.

4. Bond Proceedings. When the Agreement has been executed the Borrower (unless it has already done so) shall promptly take all proceedings necessary for the authorization and issuance of the Bonds.

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5. Bond and Grant Requisitions. From time to time after the execution of this Agreement, the Borrower shall file a requisition with the Government requesting the Government to take up and pay for Bonds or to make a payment on account of the Grant. Each requisition shall be accompanied by such documents as may be requested by the Administrator (a requisition together with such documents being here-in collectively called a "Requisition").

6. Bond Payments. If a Requisition requesting the Government to take up and pay for Bonds is satisfactory in form and substance to the Administrator, the Government, within a reasonable time after the receipt of such Requisition, will take up and pay for Bonds, having maturities satisfactory to the Administrator, in such amount as will provide, in the judgment of the Administrator, sufficient funds for the construction of the Project for a reasonable period. Payment for such Bonds shall be made at a Federal Reserve Bank to be designated by the Administrator or at such other place or places as the Administrator may designate, against delivery by the Borrower of such Bonds, having all unmatured interest coupons attached thereto, together with such documents as may be requested by the administrator. The Government shall be under no obligation to take up and pay for Bonds beyond the amount which in the judgment of the Administrator is needed by the Borrower to complete the Project.

7. Grant by Payment of Money. If a Requisition requesting the Government to make a payment on account of the Grant is satisfactory in form and substance to the Administrator, the Government will pay to the Borrower at such place or places as the Administrator may designate against delivery by the Borrower of its receipt therefor, a sum of money equal to the difference between the aggregate amount previously paid on account of the Grant, and

- (a) 25 per centum of the cost of the labor and materials shown in the Requisition to have been employed upon the Project if the Requisition shows that the Project has not been completed, or
- (b) 30 per centum of the cost of such labor and materials if the Requisition shows that the Project has been completed and that all costs incurred in connection therewith have been determined;

provided, however, that the part of the Grant made by payment of money to the Borrower shall not be in excess of the difference between the Allotment and the amount paid (not including the amount paid as accrued interest) for the Bonds taken up by the Government. The Government reserves the right to make any part of the Grant by cancellation of Bonds or interest coupons or both rather than by payment of money if, in the judgment of the Administrator, the Borrower does not need the money to pay costs incurred in connection with the construction of the Project.

8. Grant by Cancellation of Bonds. If the Borrower, within a reasonable time after the completion of the Project, shall have filed a Requisition, satisfactory in form and substance to the Administrator, then the Government will cancel such Bonds and interest coupons as may be selected by the Administrator in an aggregate amount equal (as nearly as may be) to the difference between 30 per centum of the cost of the labor and materials employed upon the Project and the part of the Grant made by payment of money. The Government will hold Bonds or interest coupons for such reasonable time in an amount sufficient to permit compliance with provisions of this Paragraph, unless payment of such difference shall have been otherwise provided for by the Government.

9. Grant Advances. At any time after the execution of this Agreement the Government may, upon request of the Borrower, if in the judgment of the Administrator the circumstances so warrant, make advances to the Borrower on account of the Grant, but such advances shall not be in excess of 30 per centum of the cost of the labor and materials to be employed upon the Project, as estimated by the Administrator.

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10. Deposit of Bond Proceeds and Grant: Bond Fund: Construction Accounts. The Borrower shall deposit all accrued interest which it receives from the sale of the Bonds at the time of the payment therefor and any payment on account of the Grant which may be made under the provisions of Paragraph 8, hereof, into an interest and bond retirement fund account (herein called the "Bond Fund") promptly upon the receipt of such accrued interest or such payment on account of the Grant. It will deposit the remaining proceeds from the sale of the Bonds (whether such Bonds are sold to the Government or other purchasers) and the part of the Grant made by payment of money under the provisions of Paragraph 7, hereof, promptly upon the receipt of such proceeds or payments in a separate account or accounts (each of such separate accounts herein called a "Construction Account"), in a bank or banks which are members of the Federal Reserve System and of the Federal Deposit Insurance Corporation and which shall be satisfactory at all times to the administrator.

11. Disbursement of Monies in Construction Accounts and In Bond Fund. The Borrower shall expend the monies in a Construction Account only for such purposes as shall have been previously specified in Requisitions filed with the Government and as shall have been approved by the Administrator. Any monies remaining unexpended in any Construction Account after the completion of the Project which are not required to meet obligations incurred in connection with the construction of the Project shall either be paid into the Bond Fund, or said monies shall be used for the purchase of such of the Bonds as are then outstanding at a price not exceeding the principal amount thereof plus accrued interest. Any Bonds so purchased shall be cancelled and no additional Bonds shall be issued in lieu thereof. The monies in the Bond Fund shall be used solely for the purpose of paying interest on and principal of the bonds.

12. Other Financial Aid from the Government. If the Borrower shall receive any funds (other than those received under this Agreement) directly or indirectly from the Government, or any agency or instrumentality thereof, to aid in financing the construction of the Project, to the extent that such funds so received exceed the part of the Grant which would otherwise be made by payment of money, the aggregate principal amount of Bonds to be purchased by the Government shall be reduced.

13. Construction of Project. Not later than upon the receipt by it of the first Bond payment, the Borrower will commence or cause to be commenced the construction of the Project, and the Borrower will thereafter continue such construction or cause it to be continued to completion with all practicable dispatch, in an efficient and economical manner, at a reasonable cost and in accordance with the provisions of this Agreement, plans, drawings, specifications and construction contracts which shall be satisfactory to the Administrator, and under such engineering supervision and inspection as the Administrator may require. Except with the written consent of the Administrator, no materials or equipment of the Project shall be purchased by the Borrower subject to any chattel mortgage, or any conditional sale or title retention agreement.

14. Construction Work. All work on the Project shall be done subject to the rules and regulations adopted by the Administrator to carry out the purposes and control the administration of the Act. By the act of executing this Agreement the Borrower acknowledges receipt of a copy of the rules and regulations set out in Bulletin No. 2 Non-Federal Projects revised March 1, 1955, entitled "P.W.A. REQUIREMENTS as to BIDS, CONTRACTOR'S BONDS, AND CONTRACT, WAGE AND LABOR PROVISIONS AND GENERAL INSTRUCTIONS as to APPLICATIONS AND LOANS AND GRANTS", and covenants that said rules and regulations, with all blank spaces filled in as provided, in said Bulletin, will be incorporated verbatim in ALL CONSTRUCTION CONTRACTS for work on the Project.*

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15. Force Account. All construction work on the Project shall be done under contract, provided, however, that if prices in the bids are excessive the Borrower reserves the right, anything in this Agreement to the contrary notwithstanding, to apply to the Administrator for permission to do all or any part of the Project on a force account basis.

16. Restriction as to Contractors. The Borrower shall receive no bid from any contractor, nor permit any contractor to receive any bid from any subcontractor, who has not signed U. S. Government Form No. P.W.A. 61, revised March, 1934.

17. Bonds and Insurance. Construction contracts shall be supported by adequate surety or other bonds or security satisfactory to the Administrator for the protection of the Borrower, or materialmen, and of labor employed on the Project or any part thereof. The contractor under any construction contract shall be required to provide public liability insurance in the amount satisfactory to the Administrator.

18. Information. During the construction of the Project the Borrower will furnish to the Government all such information and data as the Administrator may request as to the construction, cost and progress of the work. The Borrower will furnish to the Government and to any purchaser from the Government of 25 per centum of the Bonds, such financial statements and other information and data relating to the Borrower as the Administrator or any such purchaser may at any time reasonably require.

*Particular care should be taken by the Borrower that in all construction contracts the following words are inserted in the blank space in Paragraph 3 (a) (1) of the rules and regulations:

"City of Lodi and/or County of San Joaquin and/or County of Calaveras and/or County of Amador"

and the following words are inserted in blank space in Paragraph 3 (a) (2) of the rules and regulations: "State of California."

19. Representations and Warranties. The Borrower represents and warrants as follows:

- (a) Litigation. No litigation or other proceedings are now pending or threatened which might adversely affect the Bonds, the security therefor, the construction of the Project, or the financial condition of the Borrower;
- (b) Financial Condition. The character of the assets and the financial condition of the Borrower are as favorable as at the date of the Borrower's most recent financial statement, furnished to the Government as a part of the Application, and there have been no changes in the character of such assets or in such financial condition except such changes as are necessary and incidental to the ordinary and usual conduct of the Borrower's affairs;
- (c) Fees and Commissions. It has not and does not intend to pay any bonus, fee or commission in order to secure the loan or grant hereunder;
- (d) Affirmation. Every statement contained in this Agreement, in the Application, and in any supplement thereto or amendment thereof, and in any other document submitted to the Government is correct and complete, and no relevant fact materially affecting the Bonds, the security therefor, the Grant or the Project, or the obligations of the Borrower under this Agreement has been omitted therefrom.

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20. Bond Circular. The Borrower will furnish all such information in proper form for the preparation of a Bond Circular and will take all such steps as the Government or any purchaser or purchasers from the Government of not less than 25 per centum of the Bonds may reasonably request to aid in the sale by the Government or such purchaser or purchasers of any or all of the Bonds.

21. Expenses. The Government shall be under no obligation to pay any costs, charges or expenses incident to compliance with any of the duties or obligations of the Borrower under this Agreement including, without limiting the generality of the foregoing, the cost of preparing, executing and delivering the Bonds, and any legal, engineering and accounting costs, charges or expenses incurred by the Borrower.

22. Waiver. Any provision of this Agreement may be waived or amended with the consent of the Borrower and the written approval of the Administrator, without the execution of a new or supplemental agreement.

23. Interest of Member of Congress. No Member of or Delegate to the Congress of the United States of America shall be admitted to any share or part of this Agreement, or to any benefit to arise thereupon.

24. Validation. The Borrower hereby covenants that it will institute, prosecute and carry to completion in so far as it may be within the power of the Borrower, any and all acts and things to be performed or done to secure the enactment of legislation or to accomplish such other proceedings, judicial or otherwise, as may be necessary, appropriate or advisable to empower the Borrower to issue the Bonds and to remedy any defects, illegalities and irregularities in the proceedings of the Borrower relative to the issuance of the Bonds and to validate the same after the issuance thereof to the Government, if in the judgment of the Administrator such action may be deemed necessary, appropriate or advisable. The Borrower further covenants that it will procure and furnish to the Government, as a condition precedent to the Government's obligations hereunder a letter from the Governor of the State stating that if in the judgment of the Administrator it may be advisable to enact legislation to empower the Borrower to issue the Bonds or to remedy any defects, illegalities or irregularities in the proceedings of the Borrower relative to the issuance thereof or to validate the same, said Governor will recommend and cooperate in the enactment of such legislation.

25. Naming of Project. The Project shall never be named except with the written consent of the Administrator.

26. Insurance on Project. The Borrower shall, during the life of the Project, maintain proper and adequate insurance thereon.

27. Undue Delay by the Borrower. If in the opinion of the Administrator, which shall be conclusive, the Borrower shall delay for an unreasonable time in carrying out any of the duties or obligations to be performed by it under the terms of this Agreement, the Administrator, may cancel this Agreement.

28. Conditions Precedent to the Government's Obligations. The Government shall be under no obligation to pay for any of the Bonds or to make any part of the Grant:

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- (a) Financial Condition and Budget. If, in the judgment of the Administrator, the financial condition of the Borrower shall have changed unfavorably in a material degree from its condition as theretofore represented to the Government, or the Borrower shall have failed to balance its budget satisfactorily or shall have failed to take action reasonably designed to bring the ordinary current expenditures of the Borrower within the prudently estimated revenues thereof;
- (b) Cost of Project. If the Administrator shall not be satisfied that the Borrower will be able to complete the Project for the sum of \$600,000, or that the Borrower will be able to obtain, in a manner satisfactory to the Administrator, any additional funds which the Administrator shall estimate to be necessary to complete the Project;
- (c) Compliance. If the Administrator shall not be satisfied that the Borrower has complied with all the provisions contained in this Agreement or in the Proceedings authorizing the issuance of the Bonds, theretofore to be complied with by the Borrower;
- (d) Legal Matters. If the Administrator shall not be satisfied as to all legal matters and proceedings affecting the Bonds, the security therefor or the construction of the Project;
- (e) Representations. If any representation made by the Borrower in this Agreement or in the Application or in any supplement thereto or amendment thereof, or in any document submitted to the Government by the Borrower shall be found by the Administrator to be incorrect or incomplete in any material respect;
- (f) Maturity of Bonds Sold to Government. If, in the event that some of the Bonds are sold to purchasers other than the Government, the maturities of the remaining Bonds are not satisfactory to the Administrator.

This Agreement shall be binding upon the parties hereto when a copy thereof, duly executed by the Borrower and the Government, shall have been received by the Borrower. This Agreement shall be governed by and be construed in accordance with the laws of the State. If any provision of this Agreement shall be invalid in whole or in part, to the extent it is not invalid it shall be valid and effective and no such invalidity shall affect, in whole or in part, the validity and effectiveness of any other provision of this Agreement or the rights or obligations of the parties hereto, provided, however, that in the opinion of the Administrator, the Agreement does not then violate the terms of the Act.

IN WITNESS WHEREOF, the Borrower and the Government have respectively caused this Agreement, to be duly executed as of
CITY OF LODI

By _____
Mayor.

SEAL:
ATTEST:

City Clerk

UNITED STATES OF AMERICA

By _____
Federal Emergency Administrator
of Public Works